

Po Box 6000 Rapid City, SD 57701

June 14, 2016

The Honorable Kristi Noem Member of Congress 2422 Rayburn House Office Building Washington, DC 20515

RE: Letter of Support – HEALTTH Act

Honorable Representative Noem,

Regional Health, the health care system providing care to Western South Dakota, respectfully submits this letter of support of the "Helping Ensure Accountability, Leadership, and Trust in Tribal Healthcare (HEALTTH) Act" of 2016. Regional Health serves American Indian patients in the IHS Great Plains Service Area that includes Pine Ridge Indian Reservation, Rosebud Indian Reservation and the IHS Sioux San hospital. Regional Health collaborates with the Oglala Lakota Nation, Rosebud Sioux Tribe, IHS, and, independent caregivers to help deliver health care to our most vulnerable populations.

Currently Regional Health serves as the safety net health care organization for all American Indians in Western South Dakota. When IHS funding runs short or patient access is limited, Regional Health takes care of the needs of the community with little to no reimbursement. The solutions proposed in the HEALTTH Act will help address the fundamental, systemic failures in the Great Plains Area Service Area.

Innovation in the IHS healthcare delivery model may be achieved through the proposed pilot project alternative to full direct-service and full self-governance. Collaboration with IHS and Tribes will enable the utilization of the competencies and efficiencies of the private sector to improve patient access and outcomes. The cost savings will provide resources to provide more quality care to American Indians.

Changing the IHS model for workforce recruitment and retention will help increase IHS patient access by reducing the administrative failures and increasing the number of IHS providers. American Indian health needs indicate that the acuity increases due to the lack of early access to health care in appropriate settings. IHS and the Tribes must establish appropriate providers, settings and services within IHS and Tribal facilities. The improved access will reduce acuity, reduce care in inappropriate settings, and reduce the cost of delivery of care. The American

Indian population will be better served by providing service in their communities where they have family support.<sup>1</sup>

The development and implementation of the revised Purchased/Referred Care program disbursement formula will more equitably allocate scarce resources. The current IHS Purchase/Referred Care denial of reimbursement based on budget shortfalls unfairly places the cost burden on non-IHS safety net hospitals. The lack of IHS reimbursement negatively impacts the ability of safety net hospitals to provide care to the entire population in its service area. The current IHS reimbursement model is fiscally unsustainable. Safety net hospitals are forced to evaluate the fiscal sustainability of providing elective care for referred IHS patients without guaranteed reimbursement.

The capacity and competencies of IHS facilities are not sufficiently funded to provide the quality services necessary to fulfill the federal responsibility for American Indian healthcare. The improvements proposed in the HEALTTH Act will create cost savings and accountability that will help with the funding shortfall.

Regional Health is willing to partner with all stakeholders to bring innovations and solutions that improve health care access and outcomes in a fiscally responsible manner. The HEALTTH Act improves the current situation and helps move the delivery of American Indian health care in the right direction.

Respectfully submitted,

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<sup>1</sup> See: "Focus on South Dakota: A Picture of Health", Helmsley Charitable Foundation, May 2015. The Report finds that "less than half (43.3%) of the American Indian survey respondents have a primary care provider compared to 80.9% of non-American Indian respondents." The need for and access to health care is established in the report subpopulation health profile section. American Indian conditions of diabetes, heart disease, asthma, depression, and anxiety are all higher than the corresponding percent reported by non-American Indians.